



**CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE**

May 13, 2008

**H.R. 1725
Rancho California Water District
Recycled Water Reclamation Facility Act of 2008**

*As ordered reported by the Senate Committee on Energy and Natural Resources
on May 7, 2008*

SUMMARY

H.R. 1725 would authorize the Secretary of the Interior, acting through the Bureau of Reclamation, to participate in the design, planning, and construction of permanent facilities for water recycling, demineralization, desalination, and distribution of nonpotable water supplies in Southern Riverside County, California.

Assuming appropriation of the authorized amount, CBO estimates that implementing the legislation would cost \$10 million over the 2009-2013 period and another \$10 million after 2013 to complete the project. Enacting the legislation would have no effect on direct spending or revenues.

H.R. 1725 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would impose no costs on state, local, or tribal governments.

ESTIMATED COST TO THE FEDERAL GOVERNMENT

The estimated budgetary impact of H.R. 1725 is shown in the following table. The costs of this legislation fall within budget function 300 (natural resources and environment).

	By Fiscal Year, in Millions of Dollars				
	2009	2010	2011	2012	2013
CHANGES IN SPENDING SUBJECT TO APPROPRIATION					
Estimated Authorization Level	20	0	0	0	0
Estimated Outlays	2	2	2	2	2

BASIS OF ESTIMATE

For this estimate, CBO assumes that the legislation will be enacted near the beginning of fiscal year 2009 and that the authorized amounts will be appropriated for each year.

H.R. 1725 would authorize the Secretary of the Interior to participate in the design, planning, and construction of permanent facilities for water recycling, demineralization, desalination, and distribution of nonpotable water supplies in Southern Riverside County, California. The total estimated cost for the project is \$103 million. The legislation would authorize the agency to contribute the lesser of \$20 million or 25 percent of the total project costs.

Based on information provided by the agency, CBO estimates that construction on all components of the project would be completed in approximately 10 years. Any funding provided by the Secretary would not be available for operation or maintenance of the project.

Assuming appropriation of the authorized amounts, CBO estimates that implementing the act would cost \$10 million over the 2008-2013 period and an additional \$10 million after 2013.

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

H.R. 1725 contains no intergovernmental or private-sector mandates as defined in UMRA and would impose no costs on state, local, or tribal governments. The Rancho California Water District would benefit from federal assistance authorized by the act; any costs to the district for the project would be incurred voluntarily.

PREVIOUS ESTIMATE:

On July 5, 2007, CBO transmitted a cost estimate for H.R. 1725, as ordered reported by the House Committee on Natural Resources on June 28, 2007. The versions of the legislation are the same, as are the estimated costs of implementation.

ESTIMATE PREPARED BY:

Federal Costs: Tyler Kruzich

Impact on State, Local, and Tribal Governments: Melissa Merrell

Impact on the Private Sector: Amy Petz

ESTIMATE APPROVED BY:

Theresa Gullo

Deputy Assistant Director for Budget Analysis